

REQUIRED SUPPLEMENTARY INFORMATION

Department of Community Health

REQUIRED SUPPLEMENTARY INFORMATION

BUDGET COMPARISON SCHEDULE - BUDGET FUND

FOR THE FISCAL YEAR ENDED

JUNE 30, 2005

	Original Appropriation	Final Budget	Actual	Variance Positive (Negative)
Funds Available:				
Revenues:				
State Appropriation	\$ 2,148,105,973.00	\$ 2,137,382,794.00	\$ 2,137,382,794.00	\$ -
Federal Revenues	4,114,547,234.00	5,463,388,469.00	4,782,627,184.89	(680,761,284.11)
Other Revenues Retained	<u>1,868,858,882.00</u>	<u>3,337,552,152.00</u>	<u>2,908,742,358.14</u>	<u>(428,809,793.86)</u>
Total Revenues	\$ 8,131,512,089.00	\$ 10,938,323,415.00	\$ 9,828,752,337.03	\$ (1,109,571,077.97)
Carry-Over from Prior Year:				
Transfer from Fund Balance	<u>-</u>	<u>254,489,251.00</u>	<u>254,489,251.44</u>	<u>0.44</u>
Total Funds Available	<u>\$ 8,131,512,089.00</u>	<u>\$ 11,192,812,666.00</u>	<u>\$10,083,241,588.47</u>	<u>\$ (1,109,571,077.53)</u>
Expenditures:				
Personal Services	\$ 32,954,559.00	\$ 33,538,239.00	\$ 29,820,734.24	\$ 3,717,504.76
Regular Operating Expenses	8,761,452.00	9,258,386.00	5,910,197.84	3,348,188.16
Travel	333,188.00	468,255.00	249,391.53	218,863.47
Equipment	76,291.00	103,928.00	88,470.16	15,457.84
Computer Charges	92,704,195.00	138,948,895.00	107,407,334.07	31,541,560.93
Real Estate Rentals	1,793,945.00	1,793,945.00	1,775,491.58	18,453.42
Telecommunications	895,502.00	1,043,800.00	856,694.86	187,105.14
Per Diem and Fees	1,350,873.00	1,940,891.00	1,325,270.74	615,620.26
Contracts	125,809,205.00	270,846,167.00	281,285,727.50	(10,439,560.50)
HMO Contracts	285,327,050.00	533,800,000.00	509,597,376.10	24,202,623.90
Medicaid Benefits, Penalties and Disallowances	5,988,912,204.00	7,983,710,952.00	7,037,216,203.81	946,494,748.19
PeachCare Benefits, Penalties and Disallowances	270,035,204.00	357,341,268.00	263,157,121.34	94,184,146.66
Payments to Nursing Homes	272,608,762.00	255,649,284.00	255,115,083.78	534,200.22
Audit Contracts	1,097,500.00	2,646,270.00	2,646,270.00	-
Purchase of Service Contracts	183,244.00	183,244.00	167,695.00	15,549.00
Grant-in-Aid to Counties	544,826.00	2,726,093.00	2,666,093.00	60,000.00
Health Insurance Payments	1,009,000,000.00	1,560,000,000.00	1,473,349,145.47	86,650,854.53
Medical Fair	50,511.00	49,511.00	49,090.96	420.04
Loan Repayment Program	300,757.00	400,757.00	378,031.00	22,726.00
Medical Scholarships	728,000.00	728,000.00	647,698.35	80,301.65
Capitation Contracts for Family Practice Residency	3,646,792.00	3,646,792.00	3,553,016.27	93,775.73
Residency Capitation Grants	1,941,782.00	1,941,782.00	1,941,781.44	0.56
Medical Student Capitation	3,428,706.00	3,428,706.00	3,428,706.00	-
Mercer School of Medicine	17,960,862.00	17,960,862.00	17,960,862.00	-
Morehouse School of Medicine	10,141,628.00	10,141,628.00	10,141,628.00	-
SREB Payments	401,225.00	-	-	-
Pediatric Residency Capitation	418,046.00	418,046.00	405,603.83	12,442.17
Preventive Medicine Capitation	<u>105,780.00</u>	<u>96,965.00</u>	<u>96,935.18</u>	<u>29.82</u>
Total Expenditures	<u>\$ 8,131,512,089.00</u>	<u>\$ 11,192,812,666.00</u>	<u>\$10,011,237,654.05</u>	<u>\$ 1,181,575,011.95</u>
Excess of Funds Available Over Expenditures			<u>\$ 72,003,934.42</u>	<u>\$ 72,003,934.42</u>

Department of Community Health

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION

FOR THE FISCAL YEAR ENDED
JUNE 30, 2005

Governmental Fund -
General Fund

Sources/Inflows of Resources:

Actual amounts (budgetary basis) "Total Funds Available"
from the budgetary comparison schedule \$10,083,241,588.47

Differences - budget to GAAP:

Revenues of nonbudgeted funds included within the State's
reporting entity, and shown in General Fund for financial
reporting purposes. 32,356,201.73

Revenues of budgeted funds included in the Budget Fund,
but removed from the General Fund for financial
reporting purposes. (1,849,246,165.89)

Budgeted Carry-Over Funds from Prior Year Fund Balances
shown as Funds Available in Budget Fund, but removed
for financial reporting purposes. (254,489,251.44)

Fund balance adjustments are a budgetary resource, but are not
current year revenues for GAAP reporting purposes. (597,710,143.25)

Other net accrued receivables and revenues 617,275,946.03

Total revenues as reported on the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds \$ 8,031,428,175.65

Department of Community Health

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
BUDGET-TO-GAAP RECONCILIATION

FOR THE FISCAL YEAR ENDED
JUNE 30, 2005

	<u>Governmental Fund - General Fund</u>
Uses/Outflows of Resources:	
Actual amounts (budgetary basis) "Total Expenditures" from the budgetary comparison schedule	\$ 10,011,237,654.05
Differences - budget-to-GAAP:	
Expenses of Budgeted Funds included in the Budget Fund, but removed from the General Fund for financial reporting purposes.	(2,107,357,196.61)
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies and equipment are received for GAAP reporting.	(59,960,540.67)
Fund balance adjustments are a budgetary resource, but are not current year expenses for GAAP reporting purposes.	90,218,103.05
Change in expenditure accrual for nonbudgetary Medicaid claims	(51,600,000.00)
Other net accrued liabilities and expenditures	<u>113,036,099.14</u>
Total expenses as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 7,995,574,118.96</u>

Department of Community Health

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2005

Note 1. Budgetary Reporting

A. General Fund Budgetary Process

The annual budget of the Department is prepared primarily on the modified accrual basis utilizing encumbrance accounting. The legal level of budgetary control is the Departmental level by expenditure object class. Expenditures, which are within 102 percent of the budgeted amounts for the "common object classes" as provided in the Amended Appropriations Act, are in compliance with State law. The budget is submitted by the Department and approved by the Legislature and the Governor. All un-encumbered annual appropriations lapse at fiscal year-end unless otherwise specified by constitutional or statutory provisions. Supplementary and amended appropriations may be enacted during the next legislative session by the same process used for original appropriations. Encumbrances are used to indicate the intent to purchase goods or services. The basis of budget method is modified accrual plus encumbrances. Liabilities and expenditures are recorded upon issuance of completed purchase orders. Goods or services need not have been received for liabilities and expenditures to be recorded.

B. Budgetary Presentation

The accompanying budgetary comparison schedule for the Budget Fund presents comparisons of the legally adopted budget with actual data prepared on the budgetary basis of accounting utilized by the Department. Because the basis of budget differs from GAAP, budget and actual amounts in the accompanying Budgetary Comparison Schedule - Budget Fund are presented on the basis of budget and are included as required supplementary information. The Budget-to-GAAP reconciliation immediately following the budgetary comparison schedule identifies the necessary adjustments to convert the Budget Fund to the Governmental Fund as required by GAAP.